



ALERT: It's Not Too Late to Buy the Dip in This Promising Dividend Stock

Description

Pulse Seismic ([TSX:PSD](#)) is a Calgary-based company that acquires, markets, and licenses two-dimensional (2D) and three-dimensional (3D) seismic data for the energy sector in Western Canada. Today, I want to discuss why I'm still looking to buy the dip in this promising [dividend stock](#) after the midway point in January. Let's dive in.

How has this dividend stock performed recently?

Shares of Pulse Seismic have dropped 41% year over year as of close on January 17. This dividend stock has fallen 2.1% in the opening trading weeks of the new year. Investors can get a more detailed look at its recent performance by toggling the interactive chart below.

Why investors should be excited about Pulse and this industry

Pulse Seismic provides a crucial service to the [energy sector](#) in Western Canada. Indeed, this company provides the nation's largest data library to the western Canadian energy sector. Some of the key areas the library covers include the Western Canada Sedimentary Basin in Alberta, northeast British Columbia, Manitoba, Montana, and others. It has pursued an aggressive strategy that has allowed it to expand its library through acquisitions or through the purchase of seismic data assets.

Research Nester recently estimated that the global seismic survey market registered a revenue of US\$7.99 billion. The market researcher projects that this market will reach US\$11.6 billion by the end of 2030. That would represent a compound annual growth rate (CAGR) of 3.9% during the forecast period. This is a market that investors should seek exposure to in 2023 and beyond. Pulse Seismic is a dividend stock well worth watching going forward.

Should you be encouraged by the company's recent earnings?

This company is set to release its fourth-quarter (Q4) and full-year fiscal 2022 results in the middle of

February. In Q3 2022, the company posted [total revenue](#) of \$2.2 million — down from \$8.9 million in the previous year. The year-over-year dip is primarily due to acquisition-fueled growth in last year's quarter. Traditional data library sales remained steady at \$6.7 million compared to \$6.6 million in the third quarter of fiscal 2021.

In the first nine months of fiscal 2022, Pulse Seismic posted a net loss of \$6.0 million, or \$0.11 per share — down from net earnings of \$13.4 million, or \$0.25 per share (basic and diluted). EBITDA stands for earnings before interest, taxes, depreciation, and amortization. This measurement aims to give a better picture of a company's profitability. Pulse Seismic saw EBITDA dip to \$1.6 million, or \$0.03 per diluted share, over \$28.8 million, or \$0.54 per diluted share, in the first nine months of fiscal 2021.

Pulse Seismic provided outlook for the rest of 2022. Despite recent challenges, the company is confident that it will be able to take advantage of strong industry growth cycles.

Pulse: Why I'm buying this dividend stock today

This dividend stock possesses an immaculate balance sheet at the time of this writing. Better yet, it offers a quarterly dividend of \$0.013 per share. That represents a 2.7% yield. I'm looking to snatch up this exciting dividend stock right now.

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